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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

MAY - 1 2012

GARY PIERCE, Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

DOCKETED BY

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IN THE MATTER OF THE APPLICATION
OF NAVOPACHE ELECTRIC
COOPERATIVE, INC. AN ARIZONA NON-
PROFIT CORPORATION, FOR APPROVAL
OF A RUS GUARANTEED FFB LOAN IN
THE AMOUNT OF \$33,231,000 TO FUND
CONSTRUCTION FACILITIES.

DOCKET NO. E-01787A-05-0719

DECISION NO. **73141**

ORDER EXTENDING TIME
DEADLINE ORDERED BY
DECISION NO. 71859

Open Meeting
April 24 and 25, 2012
Phoenix, Arizona

BY THE COMMISSION:

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Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. On May 5, 2006, the Commission issued Decision No. 68691, which granted Navopache Electric Cooperative, Inc. ("Navopache" or "Company") authorization to borrow funds from the Rural Utilities Service Guaranteed Federal Financing Bank.

2. On September 1, 2010, the Commission issued Decision No. 71859, which amended Decision No. 68691, and ordered Navopache to complete installation of a permanent oil containment structure at its Coronado Generating Station transformer by December 31, 2011, unless prior to that date the responsibility for it was transferred to another utility, or the transformer was moved to a location with a permanent oil containment structure.

3. On September 8, 2010, Navopache filed a Motion to Correct Clerical Mistake.

4. On December 31, 2010, the Commission issued Decision No. 72010 *Nunc Pro Tunc* to correct the clerical error.

5. On December 30, 2011, Navopache filed its Status Report on the Oil Spill Containment Structure and Motion for an Extension of Time. Therein, Navopache requested that it be granted an additional extension of time, to February 29, 2012, to comply with Decision No. 71859, as amended by Decision No. 72010.

6. On February 9, 2012, Navopache filed a Compliance Filing. Navopache stated in the February 9, 2012 filing that it completed construction of the oil containment structure for its transformer within the Coronado Generating Station.

7. On March 9, 2012, the Commission's Utilities Division ("Staff") filed a Memorandum stating that Staff Engineering has reviewed Navopache's February 9, 2012 filing and has concluded that the Company has complied with the permanent oil containment structure installation requirement of Decision No. 71859.

8. Staff's March 9, 2012 Memorandum recommends that an Order be issued granting Navopache an extension of time to February 28, 2012 to comply with the permanent oil containment structure installation requirement of Decision No. 71859.

9. Staff's recommendation is reasonable and should be adopted.

CONCLUSIONS OF LAW

1. Navopache is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-301, 40-302, and 40-303.

2. The Commission has jurisdiction over Navopache and the subject matter of this proceeding.

3. It is reasonable and in the public interest to grant Navopache's request for a time extension to comply with Decision No. 71859.

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ORDER

IT IS THEREFORE ORDERED that the compliance deadline set by Decision No. 71859 for Navopache Electric Cooperative, Inc. to complete the construction of the permanent oil containment structure at its Coronado Generating Station transformer is hereby extended to February 28, 2012, and that Navopache Electric Cooperative, Inc. has complied with this requirement.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 15th day of MAY, 2012.

ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

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2 DOCKET NOS.: E-01787A-05-0719
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